

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7041

BILL NUMBER: HB 1786

NOTE PREPARED: Jan 12, 2007

BILL AMENDED:

SUBJECT: Unclaimed property.

FIRST AUTHOR: Rep. Grubb

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill allows the Attorney General (AG) to publish a notice of unclaimed property electronically on the attorney general's web site instead of in a newspaper if the address of the apparent owner of the property: (1) is not reported to the AG by the previous holder of the property; or (2) is outside Indiana. The bill also provides that an electronic notice of unclaimed property must remain on the AG's web site for at least two weeks. The bill provides that if the AG's examination of a person's records reveals that the person holds property that is reportable under the law governing abandoned property, the AG may assess the cost of the examination against the person at a reasonable rate established by the AG. (Current law provides that the attorney general may recover the cost of the examination at a rate of \$200 a day for each examiner.)

Effective Date: July 1, 2007.

Explanation of State Expenditures: This bill could result in a cost savings for the Attorney General (AG). It is estimated that allowing the AG to publish certain notices concerning unclaimed property on the AG's web site rather than only allowing these notices be published in a newspaper of general circulation will result in a indeterminable cost savings to the AG.

The bill would allow a notice to be published on the AG's web site when the holder of the unclaimed property does not report an address for the apparent owner or reports an address outside Indiana. Any savings realized by this provision will ultimately be determined by the administrative actions of the AG. If the AG chooses to provide this notice on the AG's web site, the bill requires that the notice remain on the web site for no less than 2 weeks.

The bill still allows these notices to also be published in the newspaper. If the AG chooses to publish notice under this provision, the notice must be in a newspaper of general circulation for 2 successive weeks in the county which the holder of the property has its principal place of business, or any other county the AG may reasonable select.

Explanation of State Revenues: This bill could result in an increase or decrease in revenue for the AG. The bill allows the AG to assess reasonable costs (rather than the \$200 per day cost assessment required under current law) to be assessed to the holder of property when an examination of the holder's records reveal the existence of unclaimed property that should have been reported or delivered. It is unknown whether allowing a reasonable examination assessment of costs, rather than requiring a fee of \$200 per day, will result in examination fees being charged mostly above or below \$200 per day. The cost assessments collected under this provision are retained by the AG as reimbursement for costs of the examination. The amount of any increase or decrease in revenue is indeterminable and will ultimately depend upon the administrative actions of the AG.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Attorney General.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Adam Brown, 317-232-9854.